10a

186 The Russian occupation receives no popular support from the masses. Of racial Lithuanians, only a
668 few hardened communists and several thousand released criminals turned collaborators.

There is a definite trend to exclude even Lithuanian communists. In all of the periodic purges, it is the Lithuanian communists who suffer disgrace, expulsion and exile, while Russian embezzlers retain their posts. An "Anti-Cominform" morale is pronounced among the Lithuanian members of the LKP/b. Party and non-Party Lithuanians are still found in the less important "high offices." However, not a single Lithuanian holds an administrative post in any office connected with the military effort. This trend is pronounced even in the distribution of "ministerial" titles.

● 655 All communications—railroads, waterways, ports, post offices, telegraph, radio, telephone, aviation and highways—are under a centralized "All-Union" control: there are no "ministries" for any communications. A few Lithuanians are still encountered among the MVD railroad guard personnel but their number constantly dwindles.

486 Travel inside Lithuania to a distance of 200 km. is not obstructed, with the exception of the "prohibited zones" along the Polish frontier and the seacoast, where special permits from the MVD are required. Otherwise, traveling permits are issued by employing offices. Of course, every traveler must submit to numerous checkings of the papers by armed patrols.

There is no frontier with East Prussia and Latvia, and the same general travel rules apply to journeys to Latvia and East Prussia. Nevertheless, it is deemed safer to procure a *"komandirovka"* (dispatch orders) even if the destination be less than 200 km.—a "detour" to Siberia must never be overlooked. The Latvian frontier is crossed mostly for black marketing. It is possible to go to Byelorussia and into the interior of Russia with a permit issued by a local MVD or Executive Committee. *"Komandirovka"* is required for travel by air.

[191] Transportation tickets, birth, death and other records are printed in Russian and "local" languages. Nevertheless, it is not a rare phenomenon to hear in response to an inquiry in Lithuanian: *"Neponimayu etovo sobachevo yazika"* (I do not understand this canine language).

Mobilization and Demobilization

727 Of the so-called "Lithuanian Units," only one survives—the 16th Infantry Division stationed in Vilnius. The enlisted and non-commissioned officers personnel is roughly 80% Lithuanian, but the officer cadres are predominantly Russian on all levels. Orders are given in Russian. Colonel Motieka is the Divisional Commander, and political "General" Macijauskas is Deputy Commanding Officer. All other mobilized Lithu-
701 anians are dispersed throughout Russian units.

During the war, men of the classes of (birth) 1895 through 1926 were drafted. After the cessation of hostilities in Germany, a few men were demobilized, others were assigned to various Labor Battalions and moved to Russia. Those serving in MVD units were retained in the service. Men born prior to 1923 were demobilized from strictly military units of the Soviet Army.

7. The Chemical Industry.

381 To the chemical industry in 1937 accrued 4.3% of the
433 industrial workers; 2.3% of the engine horse-power; 4.9% of the gross value; and 6.3% of the net value of Lithuania's industrial production. In pre-war Lithuania there were only two match factories and one fertilizer factory; other branches were almost non-existent. In independent Lithuania many new undertakings are springing up. The development of separate branches proceeds, however, unequally, as we can gather from the following data:

[464]

	1927		1931			1937		
	No. of Concerns	No. of Workers	No. of Concerns	No. of Workers	Capacity of Engines in H. P.	No. of Concerns	No. of Workers	Capacity of Engines in H. P.
Total	49	885	48	724	1 244	48	1 344	2 848
Including:								
Match Production	5	326	2	158	213	1	52	140
Soap Production	15	174	15	189	118	12	158	362
Rubber Goods	—	—	—	—		1	620	
Fertilizer Factories	2	109	1	130		1	141	
Colours, Turpentine and Technical Fats	7	69	10	66	913	14	151	2 346
Pharmaceutical and Cosmetic Production	4	30	6	47		9	98	

464 The sharpest decline in the number of undertakings and
workers is shown by the match industry. The curtailment in 1931 to two concerns with 158 workers against five undertakings with 326 workers in 1927 may be ascribed to the
[655] creation in 1930 of the State Match Monopoly and the transfer
[473] of the same to the „Lietuvos degtukų akcinė bendrovė" (Lithuanian Joint-stock Match Company) founded with Swedish capital. The still lower position in 1937 was occasioned by the decrease in consumption, which in the analysis of production
388 will be more closely discussed. The staffs of the soap factories
387 show a slight reduction. The number of the workers employed
464 in the Memel Fertilizer Factory has since 1931 only slightly increased.

reached in 1931, in which year their percentage share was also the highest, viz., 40.7%. The recession in the crisis period was most marked in 1935, i. e. in comparison with 1931 by 46 900 000 litas or a third in round figures. The last two years, but especially 1937, brought about a recovery by 28 400 000 litas. The share in the total revenue that year amounted to 36.4%. 651 652

Among indirect taxes the Customs duties are the most productive. In 1937 they alone defrayed 17.4% of all State disbursements. The strikingly sharp decline of Customs receipts in the crisis years (in 1935 by 44.5% in comparison with 1931) and the relatively low present position, notwithstandig the advance during the last two years, are not due to the quantitative curtailment of import (it has, on the contrary, grown) but to the change in their structure. To-day more raw materials are imported, and fewer luxury articles, which naturally are subject to higher duties.

The receipts of the State Monopolies (Spirit, Matches, and Playing Cards) reflect very faithfully on the whole the development of the purchasing power of the population, but their estimate nevertheless necessitates consideration of the circumstance that the price of spirit during the period under review, in sympathy with the course of other commodity prices, decreased. Although therefore the total receipts of the Monopolies in 1937 stand below the level of the years 1930—1931, the actual sales of whisky through the Monopoly retail establishments in 1937 were 121 000 litres or 2.3% higher than in 1931. The recovery of the losses of the crisis period followed only during the last two years, in which the sales in comparison with 1935 grew by 1 275 217 litres or 31.1%, which characterizes the development tempo of the present-day advance. 652 655

The figure sequence of the excise receipts is, from the contingent standpoint, largely upset by the circumstance that in 1932, as the consumption of excisable goods began to decline in consequence of the outbreak of the crisis, the domestic production of sugar set in, whereby the decreases of excise dues from beer, tobacco, &c., were more or less equalized. The fluctuations in the receipts of the last three years are explained by the fact that in 1935 a portion of the sugar 652

652 excise for the following year was paid in advance and in 1937 the residue for the expired year was paid in retrospect.

[655] The third important group of State revenue consists of the income from State undertakings, such as the railways, posts, telegraphs, and telephones.

Their percentage share in the total amount of State revenue in 1931, i. e. before the crisis period, represented 19.9%; in 1937 it amounted to only 15.6%. This group shows the sharpest decline of receipts, which has been caused chiefly by the sinking of railway earnings since 1932, and was partly elicited by the recession of goods transit.

The income from State Properties is regulated in the first place by timber sales from the State forests and is therefore dependent upon the movement of timber prices. In 1937 it overtook the pre-crisis level, which, however, was attained, in addition to the price trend, through more intensive timber felling.

The extraordinary revenue is composed chiefly of the carrying-over of the previous years' surplus and of the salary deductions for State officials introduced since 1932 for the crisis period. The latter item during the last three years amounted to approximately 24 000 000 litas. In 1935 and 1936 also the taking up of State debts to the amount of 18 000 000 litas and 15 000 000 litas respectively figures in this group; furthermore in 1936 the revenue from the Coinage Fund to the amount of 17 000 000 litas. The percentage share of extraordinary revenue, which in 1931 amounted to merely 8.3%, rose in 1935 to 21.8% and in 1937 again declined to 13.5%.

State Expenditure from 1928—1937 (in million Litas).

	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
State Council	4.2	4.0	4.8	5.5	4.4	4.7	4.8	4.8	5.2	5.9
Ministry for National Defence .	49.1	49.3	55.9	55.5	46.4	38.9	49.9	65.5	76.8	81.4
Ministry of Agriculture	44.8	35.0	41.6	63.7	50.7	38.0	42.2	46.5	44.9	36.2
Ministry of Finance	49.1	46.9	58.8	46.4	31.9	25.7	23.7	30.0	26.1	34.5
Ministry of Communications ..	59.0	60.4	71.4	72.2	62.9	54.0	51.5	51.2	51.8	63.7